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FEDERAL COMMUNICATIONS COMMISSION
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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

The Honorable Conrad Burns
United States Senate
183 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Senator Burns:

This letter responds to the correspondence of you and Senator Dorgan, Senator Pressler, Senator Robb and Senator Rockefeller concerning the Commission's Notice of Proposed Rulemaking (Notice) in PR Docket No. 93-61, to develop regulations for Automatic Vehicle Monitoring (AVM) systems operating in the 902-928 MHz band. In your letter you express concern regarding the continued viability of Automatic Meter Reading devices used by many utility companies.

As you know, the Commission has the responsibility for ensuring spectrum use that best serves the public interest. This often requires striking a balance among competing uses. The Commission must not only evaluate tangible effects, but also the potential benefit particular uses present. Determining the most beneficial use demands merging technical, economic and legal disciplines and is as difficult as it is complex. Parties participating in the proceeding have represented wide and varied views, including wide-area AVM service providers, local-area AVM providers, manufacturers and users of Part 15 equipment, and Amateur operators. The review of the 902-928 MHz band reflects the Commission's endeavor not simply to accept the status quo, but to implement a structure that best meets the public interest.

The shared use of 902-928 Mhz frequency band by various groups makes this challenge even more difficult. The present priorities for access to this band that have been established among these groups is an important starting point. Users with lower priority generally must accept interference from and may not cause interference to users that have a higher priority. Specifically, the 902-928 MHz band is primarily allocated for use by the federal government for Radiolocation, Fixed and Mobile services, yet the federal government users must accept interference from Industrial, Scientific and Medical (ISM) devices. Following the federal government and ISM devices on the priority scale are AVM systems. Next are Amateur radio operators and then the Part 15 users that are eligible to operate in this band. As the lowest priority, Part 15 users are not permitted to cause interference to any of the other users.

In the Part 15 area, the Commission is aware of the significant development in

No. of Copies rec'd _____
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2

The Honorable Conrad Burns
Page Two

unlicensed devices. A range of new radio products serving the public and business have emerged, reflecting economic growth and productivity. The use by utility companies of handheld devices to read meters is a demonstration of this progress. Part 15 products operate in numerous frequency bands throughout the radio spectrum. In the 902-928 MHz band alone, the Commission has authorized more than 20 different types of products for operation in this spectrum to more than 130 manufacturers. The Commission receives about 20 applications a month for approval of products in this part of the spectrum.

With regard to AVM, the current interim rules governing operations of AVM systems have been in place for 20 years. The Commission's record reflects that AVM systems have become the focus of increased investment opportunities. There is significant promise for enhancing public safety and convenience through its ability to track vehicles, collect tolls, determine traffic patterns and congestion, and reroute traffic. Moreover, AVM holds substantial promise of enhancing the efficiency and effectiveness for private sector transportation activities. Overall, advocates assert that beyond the substantial economic and safety benefits that will accrue, AVM will reduce commuter travel time and highway congestion, as well as decrease energy consumption and pollution.

As you relate, one of the issues that must be resolved is the level of interference that can be tolerated among and between the various users of this spectrum. Some parties argue that some of the planned AVM systems, primarily those that would be used to track vehicles with multilateration technology, rely on weak signals that are easily interfered with. The source of the interference is generally perceived to emanate from Part 15 devices as well as other AVM systems. Advocates on behalf of Part 15 devices express similar concerns regarding interference but more significantly regarding Part 15 devices' non-interference requirements and the continued viability to operate in the 902-928 MHz band. As you can understand, the advocacy on behalf of any one party tends to urge the primacy of that party's own interests, exclusive of others.

The various issues that must be resolved essentially revolve around whether accommodation is possible. Beyond comprehending the legitimate expectations of consumers and manufacturers of Part 15 devices as well as recognizing the potential of AVM, is the need to adopt permanent rules regarding this band. The ability to expand the use of the band while at the same time determining the degree to which different users can coexist requires insight into technological limitations as well as the economic costs at stake. The proficiency of the parties themselves to resolve interference is a significant element. In weighing the various options and issues, ranging from the degree of spectrum sharing to the means of assigning licenses, the Commission is sincerely committed to a structure that will best enhance competition and choice.

The Honorable Conrad Burns
Page Three

I appreciate very much receiving the thoughts of you and your colleagues on the importance of AMR devices and their impact on the range of issues in the AVM proceeding. The Commission is moving to resolve the matter and your views have been important to the Commission's evaluation. Please call upon me if I can provide any additional information.

Sincerely,

A handwritten signature in black ink, appearing to read 'Reed E. Hundt', with a large, sweeping flourish at the end.

Reed E. Hundt
Chairman

United States Senate

WASHINGTON, DC 20510

October 7, 1994

The Honorable Reed Hundt
Chairman
Federal Communications Commission
1919 M Street, NW
Washington, D.C. 20554

Dear Chairman Hundt:

We are writing to you to express our concern about a recent proposal under consideration at the Federal Communications Commission (PR Docket No. 93-61) that would establish rules for licensing new Local Monitoring Service (LMS). It is our understanding that the Commission is proposing to issue licenses and to allow expanded LMS across the entire 902-928 MHz band.

As you may know, many utility companies use Automatic Meter Reading devices (AMRs) which use the same band to obtain accurate and reliable meter readings. AMRs are currently being installed on gas and electric meters and when activated by radio signals from specially equipped handheld computers, the AMR accurately reads the meter. This provides more efficient monitoring which will result in lower costs to customers.

We are concerned that under the Commission's proposal, newly licensed high-powered Automatic Vehicle Monitoring (AVM) systems will likely cause interference to low-powered AMR devices. The result could render millions of dollars of investments by utility companies useless, not to mention that it would deprive consumers of more efficient delivery of gas and electric power.

We urge you to give serious consideration to the impact the Commission's proposal on AVM systems would have on utility AMR devices.

It is our hope that the Commission can find a way to accommodate an uninterrupted use of AMR devices while seeking to license AVM systems. In addition, we encourage you to urge testing of the compatibility of AMR devices and AVM systems so that the Commission will be better equipped to reach a decision that brings the benefits of both types of technologies to the American public.

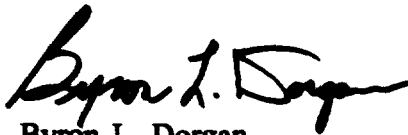
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Page Two
October 7, 1994

Thank you for your consideration.

Sincerely,



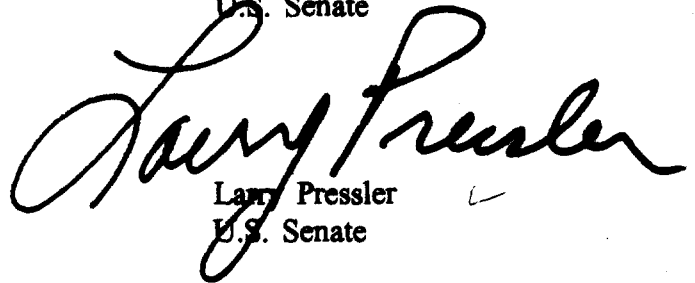
Byron L. Dorgan
U.S. Senate



Conrad Burns
U.S. Senate



Charles Robb
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Larry Pressler
U.S. Senate



John D. Rockefeller IV
U.S. Senate